

the loans needed will vary from small sums to as much as \$10,000 per family, depending upon the time needed to distribute the tribal assets. The collection of the full amount of such loans before August 13, 1961, the termination date, is, of course, assured.

The Bureau of the Budget has advised us that there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

ROGER ERNST,
Assistant Secretary of the Interior.

A BILL TO AUTHORIZE THE USE OF THE REVOLVING LOAN FUND FOR INDIANS TO ASSIST KLAMATH INDIANS DURING THE PERIOD FOR TERMINATING FEDERAL SUPERVISION

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to make loans, without interest, from the revolving fund authorized by the Acts of June 18, 1934 (48 Stat. 986, 25 U.S.C. 470), and June 26, 1936 (49 Stat. 1968, 25 U.S.C. 506), as amended and supplemented, to members of the Klamath Tribe of Indians who elected to withdraw from the tribe pursuant to the Act of August 13, 1954 (68 Stat. 718, 25 U.S.C. 564), as amended, regardless of the degree of Indian blood of the borrower, and to collect such loans by setoff against funds payable to the borrower pursuant to said Act of August 13, 1954, as amended. The Secretary is also authorized to refinance, from such revolving fund any loan made by a lending agency to a withdrawing Klamath Indian that is secured by encumbrance of his beneficial interest in tribal property with the approval of the Secretary as required by section 4 of said 1954 Act, and to include therein a nonreimbursable grant equal to the interest charges incurred by the borrower prior to such refinancing. In the event adequate funds are not available from the revolving fund to refinance a loan by such lending agency, the Secretary is authorized to pay from the revolving fund, without reimbursement, the interest charged on such loan.

INTERIOR DEPARTMENT PROPOSES BILL AUTHORIZING SPECIAL LOAN PROGRAM FOR WITHDRAWING KLAMATH INDIANS

To meet the special needs of Indians who are withdrawing from the Klamath Tribe of Oregon, the Department of the Interior is proposing legislation that would permit the Bureau of Indian Affairs to make loans to them without interest, Assistant Secretary Roger Ernst announced today.

Such loans are justified, Assistant Secretary Ernst said, because of the fact that sales of tribal forest lands to compensate the 1,659 withdrawing members will be made under existing laws over a 2-year period beginning on April 1, 1959. This delay in sales procedure means that the withdrawing members will not get the larger portion of their money until sometime in 1960 and 1961.

Because this delay is due to no fault of the Indians, the Department proposes to make noninterest-bearing loans to them from the revolving credit fund of the Bureau of Indian Affairs. The loans would be collected by setoffs against the payments due the borrowers from the proceeds of sales of tribal property.

Loans to the withdrawing Klamath members who are of one-fourth or more Indian blood were authorized by an amendment of the Federal regulations approved last December 12. Legislation is needed, however, to permit such loans to the 253 withdrawing members who are of less than one-fourth Indian blood.

The bill proposed by the Department would also permit Indian Bureau refinancing of any loans these members may obtain from private sources prior to enactment and re-

imbursement of the borrowers for interest charges incurred prior to refinancing.

The Department estimates that from 250 to 275 Klamath families will need the assistance. Loans are expected to range from very small sums to as much as \$10,000 per family.

STANDARDS OF FOREIGN LANGUAGE PROFICIENCY FOR THE FOREIGN SERVICE

Mr. SALTONSTALL. Mr. President, on behalf of myself, and the Senator from Montana [Mr. MANSFIELD], I introduce, for appropriate reference, a bill to amend the Foreign Service Act of 1946, as amended, to establish standards of foreign language proficiency and to improve recruitment and training for the Foreign Service of the United States. This is a revision of a very similar bill (S. 3552) which I introduced on March 25, 1958, in the 85th Congress. I ask unanimous consent that parts of my statement made at the time I introduced the earlier version of this bill be printed in the RECORD. This statement will explain the background of the bill I am introducing today.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the excerpts of the statement will be printed in the RECORD.

The bill (S. 1243) to amend the Foreign Service Act of 1946, as amended, to establish standards of foreign language proficiency for the Foreign Service of the United States, and for other purposes, introduced by Mr. SALTONSTALL (for himself and Mr. MANSFIELD), was received, read twice by its title, and referred to the Committee on Foreign Relations.

The excerpts from the statement presented by Mr. SALTONSTALL, are as follows:

EXCERPTS FROM STATEMENT BY HON. LEVERETT SALTONSTALL OF MASSACHUSETTS IN THE SENATE OF THE UNITED STATES

Mr. President, I introduce for myself and Mr. MANSFIELD and send to the desk for appropriate reference a bill to amend the Foreign Service Act of 1946, as amended, to improve recruitment and training for the Foreign Service of the United States.

On May 25, 1956, I introduced Senate Resolution 272 (84th Cong.) calling on the Committee on Foreign Relations to make a full and complete study and investigation of ways and means by which personnel of the Foreign Service of the United States may be more effectively recruited and trained, with particular reference to the desirability of improving and implementing the program of the existing Foreign Service Institute, or, as an alternative, the establishment of a new Foreign Service Academy.

It was subsequently decided that the committee staff should make a study of the subject covered by my resolution. The staff has recently completed its study which has been printed as a committee print entitled "Recruitment and Training for the Foreign Service of the United States." The study, which has been prepared with the full cooperation of appropriate officials of the State Department, is very thorough and searching within its scope.

It contains a draft bill providing legislative proposals designed to implement the recommendations of the staff to improve recruitment and training for the Foreign Service. I have reviewed the staff's study and its recommendations and am very

pleased to offer a bill to implement the recommendations of the staff and particularly pleased to have Mr. MANSFIELD, who is a member of the Foreign Relations Committee, join me in the introduction of this bill.

I commend to my colleagues the study on recruitment and training for the Foreign Service. It sets forth in much detail and with much background the need for this bill. The study goes into the recommendations of the Wriston Committee report, "Toward a Foreign Service," issued in June 1954, dealing with recruitment and training and the State Department's record of implementing those recommendations. I do not wish to take the time of the Senate to discuss all these details and background.

I would say only now briefly that I am sure we all recognize the tremendous importance to our country that we be well represented abroad. We need a strong Foreign Service staffed with well-qualified and well-trained people just as much as we need strong military services staffed with well-qualified and well-trained people. I think that generally speaking we have such services.

This bill will materially assist in assuring that we continue to have a strong Foreign Service and will also provide for the strengthening of one particular aspect of the Foreign Service which in my judgment needs strengthening. This is the matter of foreign language ability. I think it is very important that our Foreign Service representatives abroad have a good working knowledge of the language of the countries to which they are posted. There are too many instances now where this is not the case. This bill will go a long way toward correcting this deficiency.

In closing I want to compliment our Foreign Relations Committee and its entire staff, and in particular, Dr. Carl Marcy, the chief of the staff, and Mr. George C. Denney, Jr., the staff member who I understand did the largest share of the work on the study, for the excellent job they have done. I would also pay my respects to Deputy Under Secretary of State for Administration Loy W. Henderson and Dr. Harold B. Hoskins, Director of the Foreign Service Institute, and their associates for the fine cooperation which I understand they gave to the Foreign Relations Committee and its staff during the preparation of the study and for what they are doing for the benefit of our country in working for a strong Foreign Service.

AMENDMENT OF EMPLOYMENT ACT OF 1946, RELATING TO PRODUCTIVE CAPITAL INVESTMENTS

Mr. MORSE. Mr. President, on several occasions recently, I have spoken in the Senate about the current controversy over the budget recently submitted by the President. A week has not passed since it was submitted that there has not occurred in this body a debate, sometimes a very heated one, over the state of balance in that budget. We have heard argued whether it really is balanced, whether it ought to be balanced, and if it is, who is responsible, and if it is not, who is responsible for that.

In my opinion, much and perhaps all of this debate has been meaningless. I, for one, do not know any more about the budget than I would have known without the debate.

But I do know one thing: the form in which the Nation's budget is now presented to Congress and the Nation is totally inadequate in terms of helping us judge whether or not that budget provides for the needs of the American people.

1959

CONGRESSIONAL RECORD — SENATE

2777

The purpose of the bill is to increase the limitation of \$3,750 per annum placed upon the basic compensation which Lighthouse Service personnel may receive. Under regulations prescribed by the Secretary of the Treasury, the Coast Guard may fix the hours of duty and compensation of such personnel, except that basic compensation may not exceed \$3,750 per annum. It has been the policy of the U.S. Coast Guard, with the approval of the head of the Department in which the service operates, to adjust by administrative action the rates and salary ranges of keepers when legislative adjustments are made in the rates applicable to the grades under the Classification Act of 1949, as amended. Following the amendment of the Classification Act on June 20, 1958, which allowed increases to employees under that act, the Coast Guard, by administrative action, adjusted the compensation of keepers, subject, of course, to the \$3,750 limitation.

Even prior to June 20, 1958, the limitation precluded some keepers from being advanced to the maximum of their salary ranges as established. Now, about 75 percent of all keepers are being denied the full benefits they would otherwise enjoy. The limitation is unfair to this small group of deserving employees. The suggested increase would not mean that any keeper would be advanced forthwith from \$3,750 per annum to \$5,100. The latter figure would be the maximum of the highest salary range of the keeper compensation system. In fact, there is currently no one eligible to advance to that salary.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

A. GILMORE FLUES,
Acting Secretary of the Treasury.

SPECIAL LOAN PROGRAM FOR WITHDRAWING KLAMATH INDIANS

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill to authorize the use of the revolving loan fund for Indians to assist Klamath Indians during the period for terminating Federal supervision. The legislation is proposed by the Department of the Interior to meet the special needs of Indians who are withdrawing from the Klamath tribe and who are of less than one-fourth Indian blood. This bill will apply to approximately 253 withdrawing tribe members not covered by existing departmental authority. The loan program will permit the Department to make noninterest-bearing loans to all withdrawing members of the Klamath tribe from the revolving credit fund of the Bureau of Indian Affairs, during the period when tribal forest assets are being liquidated.

The proposed legislation is fully justified and is necessary to prevent economic hardship among withdrawees during the coming months. As chairman of the Senate Indian Affairs Subcommittee, I will do my utmost to provide early committee consideration of this bill.

I ask unanimous consent to have printed in the Record the text of the bill, a copy of a letter from the Department of the Interior to the President of

the Senate, dated February 26, 1959, and a copy of a Bureau of Indian Affairs press release of February 26, 1959, containing information about the loan program proposal.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, letter, and press release will be printed in the Record.

The bill (S. 1242) to authorize the use of the revolving loan fund for Indians to assist Klamath Indians during the period for terminating Federal supervision, introduced by Mr. NEUBERGER (by request), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to make loans, without interest, from the revolving fund authorized by the Acts of June 18, 1934 (48 Stat. 986, 25 U.S.C. 470), and June 26, 1936 (49 Stat. 1968, 25 U.S.C. 506), as amended and supplemented, to members of the Klamath Tribe of Indians who elected to withdraw from the tribe pursuant to the Act of August 13, 1954 (68 Stat. 718, 25 U.S.C. 564), as amended, regardless of the degree of Indian blood of the borrower, and to collect such loans by setoff against funds payable to the borrower pursuant to said Act of August 13, 1954, as amended. The Secretary is also authorized to refinance from such revolving fund any loan made by a lending agency to a withdrawing Klamath Indian that is secured by encumbrance of his beneficial interest in tribal property with the approval of the Secretary as required by section 4 of said 1954 Act, and to include therein a nonreimbursable grant equal to the interest charges incurred by the borrower prior to such refinancing. In the event adequate funds are not available from the revolving fund to refinance a loan by such lending agency, the Secretary is authorized to pay from the revolving fund, without reimbursement, the interest charged on such loan.

The letter and press release presented by Mr. NEUBERGER are as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., February 26, 1959.

HON. RICHARD M. NIXON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is draft of a proposed bill "to authorize the use of the revolving loan fund for Indians to assist Klamath Indians during the period for terminating Federal supervision."

We recommend that the proposed bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The act of August 13, 1954 (68 Stat. 718) as amended, provides for the termination of Federal supervision over the property and affairs of the Klamath Tribe of Indians and the individual members of the tribe. The members who chose to convert their interests in the tribal estate into cash and to withdraw from membership in the tribe were permitted to do so. Those who chose to retain the remaining assets in common ownership, but under Oregon State law, likewise were permitted to do so. The final roll contains the names of 2,133 persons of whom 1,659 elected to withdraw and 474 elected to remain with the tribal entity.

Approximately 77 percent of the tribal assets must be sold on behalf of the withdraw-

ing members. The 1958 amendment to the Termination Act provides for the sale of the forest units during the period April 1, 1959, to April 1, 1961. This delay in the sales procedure means that the withdrawing members will not get the larger portion of their money until sometime in 1960 or 1961. The only source of money available for distribution to the withdrawing members prior to this time will be from the sale of "fringe" units, which will be insufficient for their needs.

Per capita payments in varying amounts have been made to Klamath Indians for many years. The average for the past 3 years has been approximately \$1,000 per person per year. Many members have looked to these payments for their livelihood. In order to avoid hardships and an avalanche of welfare assistance requests, and in view of the fact that large sums of money will be available at a later date following the sale of large forest units, assistance to these people in the form of Federal loans, secured by their shares in the tribal asset, is justified.

The Klamath Indians of more than one-quarter degree of Indian blood who have elected to withdraw are eligible for loans from the revolving fund established under the act of June 18, 1934 (48 Stat. 986), as amended and supplemented. As of June 30, 1958, the balance in the fund was \$7,314,910. The acts of May 10, 1939 (53 Stat. 698), and May 7, 1948 (62 Stat. 211), however, prohibit loans from the fund to any Indian of less than one-quarter degree Indian blood. A total of 253 (or about 15 percent of the 1,659 withdrawing members) are of less than one-quarter degree Indian blood. The proposed legislation will make them eligible for loans from the fund.

Because the delay in the payments to the withdrawing Klamath Indians is due to no fault of theirs, the proposed legislation also provides that loans made to them from the revolving fund shall be without interest. There is no legal requirement that interest be charged on loans from the revolving fund, but because interest has been and is being charged on other loans, with the exception of a few educational loans made years ago, it is advisable to have such authorization included in the legislation in order to avoid any misunderstanding on the part of members of other tribes who are paying interest on loans. The \$8,369,775 outstanding in loans at June 30, 1958, bore interest at the following rates:

1 percent.....	\$3,594,158
2 percent.....	1,963,856
3 percent.....	159,796
4 percent.....	50,857
4½ percent.....	2,526,005
5 percent.....	17,780
6 percent.....	53,002
No interest.....	4,241

Total..... 8,369,775

The withdrawing members of less than one-quarter degree of Indian blood, until the proposed legislation is enacted, will be obliged to look to banks and other institutions for financing and in order to obtain funds they will need to encumber their beneficial interests in tribal property as security pursuant to section 4 of the act of August 13, 1954 (68 Stat. 718), as amended. They will be obliged to pay interest on such loans. In order to avoid discrimination between withdrawing members of the Klamath Tribe, the bill authorizes the Secretary to refinance from the revolving fund any loans such members may obtain from banks or other lenders for which their shares in the tribal asset were pledged as security, and to reimburse the borrower for interest charges incurred prior to refinancing.

It is estimated that from 250 to 275 families will require assistance. The amount of

86TH CONGRESS
1ST SESSION

S. 1243

A BILL

To amend the Foreign Service Act of 1946, as amended, to establish standards of foreign language proficiency for the Foreign Service of the United States, and for other purposes.

By Mr. SALTONSTALL and Mr. MANSFIELD

MARCH 2, 1959

Read twice and referred to the Committee on
Foreign Relations

86TH CONGRESS
1ST SESSION

S. 1243

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1959

Mr. SALTONSTALL (for himself and Mr. MANSFIELD) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To amend the Foreign Service Act of 1946, as amended, to establish standards of foreign language proficiency for the Foreign Service of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That title V of the Foreign Service Act of 1946, as
4 amended, is amended by adding at the beginning thereof
5 the following new section:
6 "SEC. 500. It is the policy of the Congress that chiefs
7 of mission and Foreign Service officers appointed to serve
8 the United States in foreign countries shall have, to the
9 maximum practicable extent, among their qualifications, a
10 useful knowledge of the principal language or dialect of the

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1 country in which they are to serve, and knowledge and
2 understanding of the history, the culture, the economic, and
3 political institutions, and the interests of such country and
4 its people."

5 SEC. 2. Title V of such Act is further amended by
6 adding at the end thereof the following new section:

7 "FOREIGN LANGUAGE KNOWLEDGE PREREQUISITE TO
8 ASSIGNMENT

9 "SEC. 578. The Secretary shall designate every For-
10 eign Service officer position in a foreign country whose in-
11 cumbent should have a useful knowledge of a language or
12 dialect common to such country. After December 31, 1963,
13 each position so designated shall be filled only by an in-
14 cumbent having such knowledge: *Provided*, That the Sec-
15 retary or Deputy Under Secretary for Administration may
16 make exceptions to this requirement for individuals. The
17 Secretary shall establish foreign language standards for
18 assignment abroad of officers and employees of the Service,
19 and shall arrange for appropriate language training of such
20 officers and employees at the Foreign Service Institute or
21 elsewhere."

22 SEC. 3. Section 701 of such Act (22 U.S.C. 1041)
23 is amended by adding at the end thereof the following:
24 "The Secretary may also provide appropriate orientation

1 and language training to dependents of officers and em-
2 ployees of the Government if such officers and employees
3 are assigned to foreign relations activities. Other agencies
4 of the Government shall wherever practicable avoid dupli-
5 cating the facilities of the Institute and the training provided
6 by the Secretary at the Institute or elsewhere."

7 SEC. 4. Section 704 of such Act (22 U.S.C. 1044)
8 is amended by adding at the end thereof the following new
9 subsection:

10 "(e) The Secretary may, under such regulations as he
11 may prescribe, provide special monetary or other incentives
12 not inconsistent with this Act to encourage Foreign Service
13 personnel to acquire or retain proficiency in foreign languages
14 or special abilities needed in the Service."

15 SEC. 5. Section 516 of such Act (22 U.S.C. 911), is
16 amended by adding at the end thereof the following addi-
17 tional sentence: "The President may appoint directly to
18 class 7 persons who have passed such examinations and are
19 eligible for appointment as Foreign Service officers of class
20 8 when, in his opinion, their age, experience, or other qualifi-
21 cations make such an appointment appropriate."

22 SEC. 6. (a) Section 517 of such Act (22 U.S.C. 912)
23 is amended by striking out the words "A person who has
24 not served in class 8" which appear at the beginning of the

1 first sentence, and inserting in place thereof the following:

2 "A person who has not been appointed as a Foreign Service
3 officer in accordance with section 516 of this Act".

4 (b) Section 517 of such Act is further amended by
5 inserting a period after the word "Constitution" in the first
6 sentence, and by striking out the remainder of that sentence
7 and all of the second and third sentences of such section.

8 SEC. 7. The first sentence of subsection (a) of section
9 520 of such Act (22 U.S.C. 915) is amended by inserting
10 a period after the word "Service" where it appears for the
11 third time, and by striking out the remainder of that sentence.

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9 APR 1959

Senate Bill 1243 is an amendment to the Foreign Service Act of 1946 to establish standards of foreign language proficiency for the Foreign Service of the United States. No action has been taken on the bill and no activity is contemplated in the near future.

SUSPENSE: 11 May

Approved For Release 2005/11/21 : CIA-RDP62-00634A000200070010-0

CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	INITIALS	DATE
1	DDTR		3/5 5 MAR 1959
2	JTR		
3	C/PPS		11 May 12 May
4			
5			
6			
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE

Remarks:

Food for the "Bissell Letter"

Lets watch this bill

3 to 4 [redacted] has seen

the senate proposal on 11 Mar 59

His comment, we should announce this

at one of our training staff meeting on 11 Mar 59

Place in Pending Legislation File

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